



**U.S. Department of Justice**

*United States Attorney  
Eastern District of New York*

ALS:CSK  
F. #2014R00501

*271 Cadman Plaza East  
Brooklyn, New York 11201*

August 23, 2021

**By ECF**

Honorable Kiyo A. Matsumoto  
United States District Judge  
Eastern District of New York  
225 Cadman Plaza East  
Brooklyn, New York 11201

Re: United States v. Martin Shkreli  
Criminal Docket No. 15-637 (S-1) (KAM)

Dear Judge Matsumoto:

The United States respectfully submits this letter and the enclosed proposed Turnover Order (the "Proposed Order") authorizing the turnover of the only two substitute assets (the "Remaining Substitute Assets")<sup>1</sup> that were seized pursuant to the Preliminary and Final Orders of Forfeiture (the "Forfeiture Orders") entered against defendant Martin Shkreli on or about March 5, 2018 and September 10, 2018, respectively, and which remain in the government's custody. For the reasons set forth herein, the government respectfully requests that this Court enter the Proposed Order so that the Remaining Substitute Assets can be turned over to the receiver Derek C. Abbott (the "Receiver") appointed by the court in *Koestler v. Shkreli*, 16-CV-7175 (S.D.N.Y.) (Nathan, J.) (the "SDNY Proceeding").

As this Court is aware, pursuant to the Forfeiture Orders, defendant Shkreli was ordered to, among other things, pay a forfeiture money judgment (the "Forfeiture Judgment") in the amount of \$7,360,450.00 and forfeit his interest in various substitute assets up to the amount of the Forfeiture Judgment. In letters filed in this case and in the SDNY Proceeding on July 27, 2021, the government advised that the Forfeiture Judgment had been satisfied, and that the Remaining Substitute Assets, neither of which was used to satisfy the Forfeiture Judgment, remained in the government's custody. The government further advised that, because the government has no further interest in the Remaining Substitute Assets pursuant

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<sup>1</sup> The Remaining Substitute Assets consist of: (1) a certificate for preference shares A in Turing Pharmaceuticals (the "Phoenixus Shares") representing Shkreli's interest in Phoenixus AG; and (2) an engraving on paper by Picasso (the "Picasso Engraving").

to the Forfeiture Orders, the government would make these assets available to be turned over to the receiver appointed in the SDNY Proceeding.

On August 16, 2021, the court in the SDNY Proceeding entered an Order For Turnover and Appointment of Receiver (the “SDNY Order”), a copy of which is also enclosed herewith. Pursuant to paragraphs 1 and 3 of the SDNY Order, and consistent with the United States’ July 27, 2021 letters, the Proposed Order directs the United States Marshals Service to turnover and deliver to the Receiver the Remaining Substitute Assets.

The Receiver, as well as counsel for defendant Shkreli and petitioner Koestler, were previously provided a copy of the Proposed Order. None of them has any objection. Accordingly, the government respectfully requests that this Court enter the Proposed Order, and thereby authorize the turnover of the Remaining Substitute Assets to the Receiver, subject to the terms contained therein.

We thank the Court for its consideration of this submission.

Respectfully submitted,

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Encls.

cc: All Counsel of Record (by ECF)  
Derek C. Abbott